#### UNITED STATES INTERNATIONAL TRADE COMMISSION

Washington, DC 20436

# MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 108th Congress 1

[Date approved:: November 12, 2004]<sup>2</sup>

Bill No. and sponsor: H.R. 4771 (Mr. Baker)							
Proponent name, location: Rhodia 1275 Airline Highway 70805 Baton Rouge, LA							
Other bills on product (108th Congress only): None.							
Nature of bill: Temporary duty suspension through December 31, 2007.							
Retroactive effect: None.							
Suggested article description(s) for enactment (including appropriate HTS subheading(s)):  Cyclopentanone (CAS No. 120-92-3) (provided for in subheading 2914.29.50)							
Check one: Same as that in bill as introduced X Different from that in bill as introduced (explain differences in Technical comments section)							
Product information, including uses/applications and source(s) of imports:							

This synthetic organic chemical is used primarily as a solvent in the manufacture of Hedione.<sup>3</sup> It may also

be used in certain electronic applications. Rhodia imports the product from a plant in France.

<sup>&</sup>lt;sup>1</sup> Industry analyst preparing report: Eric Land (202-205-3349); Tariff Affairs contact: Dave Beck (202-205-2603).

<sup>&</sup>lt;sup>2</sup> Access to an electronic copy of this memorandum is available at <a href="http://www.usitc.gov/billrpts.htm">http://www.usitc.gov/billrpts.htm</a> Access to a paper copy is available at the Commission's Law Library (202-205-3287) or at the Commission's Main Library (202-205-2630).

<sup>&</sup>lt;sup>3</sup> Hedione (CAS No. 24851-98-7 and 2630-39-9, also known as methyl dihydrojasmonate) is a colorless to light yellow oily liquid used in several flavor and fragrance compounds.

#### **Estimated effect on customs revenue:**

HTS subheading: <u>2914.29.50</u>									
	2004	2005	2006	2007	2008				
Col. 1-General rate of duty (AVE) <u>1</u> /	4.8%	4.8%	4.8%	4.8%	4.8%				
Estimated value dutiable imports	\$6,000,000	\$6,000,000	\$6,000,000	\$6,000,000	\$6,000,000				
Customs revenue loss	\$288,000	\$288,000	\$288,000	\$288,000	\$288,000				

<sup>1/</sup> The AVE is the ad valorem equivalent of a specific or compound duty rate expressed as a percent, using the most recent import data available.

Source of estimated dutiable import data: Commission estimates.

#### Contacts with domestic firms/organizations (including the proponent):

Name of firm/organization	Date contacted	US production of same or competitive product claimed?	Submission attached?	Opposition noted?		
		(Yes/No)				
Rick Valentine, Rhodia StevenV@PrestonGates.com	8/19/04	No	No	No		
John C. Schmidt, BASF Corp. schmidj1@basf.com	8/19/04	No	No	No		
John Deming, Ciba Specialty Chemicals john.deming@cibasc.com	8/19/04	No	No	No		
Debbie Savage, Clariant Corporation Debbie.Savage@clariant.com	8/19/04	No	No	No		
Gina Gibbs, Dow Chemical Company ggibbs@dow.com	8/19/04	No	No	No		
Sharee Lawler, DuPont Chemical sharee.c.lawler@usa.dupont.com	8/19/04	No	No	No		
Allison Jennings, Solutia aajenn@solutia.com	8/19/04	No	No	No		

#### **Technical comments:**<sup>4</sup>

The Commission recommends the Chemical Abstracts Service registry number (CAS No.) be included in the text of the bill. See "Suggested article description," above.

<sup>&</sup>lt;sup>4</sup> The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.

#### 108TH CONGRESS 2D SESSION

## H. R. 4771

To suspend temporarily the duty on cyclopentanone.

#### IN THE HOUSE OF REPRESENTATIVES

July 7, 2004

Mr. Baker introduced the following bill; which was referred to the Committee on Ways and Means

### A BILL

To suspend temporarily the duty on cyclopentanone.

1 $Be$	it	enacted	by	the	Senate	and	House	of	Representa-
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- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. CYCLOPENTANONE.
- 4 (a) In General.—Subchapter II of chapter 99 of
- 5 the Harmonized Tariff Schedule of the United States is
- 6 amended by inserting in numerical sequence the following
- 7 new heading:

"	9902.34.41	Cyclopentanone (provided for in subheading 2914.29.50)	Free	No change	No change	On or before	
						12/31/2007	,,

- 8 (b) Effective Date.—The amendment made by
- 9 subsection (a) applies to articles entered, or withdrawn

- 1 from warehouse for consumption, on or after the 15th day
- 2 after the date of the enactment of this Act.

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